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UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

-----X  
In re:

PESCRILLO NEW YORK, LLC,

Case No: 15-74305-reg  
Chapter 11

Debtor.

-----X

**DEBTOR'S AFFIDAVIT PURSUANT TO LOCAL RULE 1007-3**

STATE OF NEW YORK     )  
                                  )ss.:  
COUNTY OF ERIE         )

Ralph Pescrillo, being duly sworn, deposes and says as follows:

1. I am the Managing Member of PESCRILLO NEW YORK, LLC, and make this Affidavit pursuant to Local Bankruptcy Rule 1007-3. PESCRILLO NEW YORK, ("Debtor"), is a New York limited liability company and is engaged in leasing of residential real property. Its principal place of business is 1930 Veterans Memorial Highway, Suite 12-129, Islandia, New York.

2. The Debtor's current problems arose as a result of the difficult in collecting rents and maintaining the rental properties. A significant portion of the Debtor's rental properties are rented to low income residents as well as residents placed in units by various governmental agencies. While the rents received from the governmental agencies are timely received, the rents from "private" rentals are difficult to collect. The Debtor estimates that approximately fifty five percent of its rent stream is derived from rentals to private individuals as opposed to governmental agencies.

3. In addition, the Debtor must commit approximately \$20,000.00 per month to maintain and repair damage to the various properties. Damages are generally severe and must be repaired immediately. This is a direct result of the nature of the Debtor's business.

4. The Debtor will seek the entry of an Order authorizing it to retain a management company. The management company will be responsible for receiving rents and maintaining the properties. Net proceeds (those amounts that remain after the payment of a management fee, which amount will be disclosed in the Debtor's application to retain the management agent, expected to be set at fifteen percent) will be deposited with the Debtor in its debtor-in-possession account.

5. This case was originally commenced under Chapter 11 of Title 11 of the United States Bankruptcy Code and no Trustee has been appointed. There has been no pre-petition creditors' committee. Annexed hereto as Exhibit "A" is a list of the 20 largest unsecured claims excluding insiders, including the name, address and the amount of the claim, and an indication of whether such claims are contingent, unliquidated, disputed or partially secured. Annexed hereto as Exhibit "B" is a list of the secured creditors.

6. The Debtor's assets consist of approximately 134 units (rental properties).

7. At the present time, there is no property in the possession of any custodian, public officer, mortgagee, pledgee, assignee of rents, or secured creditor, or agents of any such entity.

8. Ralph Pescrillo is the managing member and the sole member of the limited liability company.

9. The Debtor has no employees. To the extent that duties are performed that benefit the Debtor, they are performed by the employees of the management company and the management company and the fee paid to it by the Debtor, pay for the services.

10. It is estimated that the receipts for the 30 day period following the bankruptcy petition will be approximately \$100,000. Accordingly, if the Court should approve and enter an Order authorizing the Debtor to retain the management company at a cost of fifteen percent per month, the Debtor will realize approximately \$85,000. There is some fluctuation as some tenants fail to remit the rents on a timely basis. In the ordinary course of the Debtor's operation, it commences and prosecutes approximately 20-30 eviction procedures per month.

S/Ralph Pescrillo

Ralph Pescrillo

Managing Member

Sworn to before me on this  
7<sup>th</sup> day of October, 2015

S/Paula M. Phillips

Notary Public, State of New York

No. 01PH4893769

Qualified in Erie County

Comm. Exp. 5/11/19